

We as a people have been so successful at it that we even are able to be generous with that which we produce. But it is our own generosity. America is the most giving nation in the world. Philanthropy here dwarfs philanthropy in other settings, but it is, in part, because we are allowed to keep that which we produce. Giving is greater here than any place on the planet because we allow people to keep that which they produce, to manage it for their own benefits and for their families, and then to give it according to their desires.

We stand on the threshold of a debate about what happens when a person works hard and creates something, creates resources, earns wages, creates wealth—that is what wages are. People earn that, they create it with work and decide how it will be devoted, what will happen to it.

We have a situation now where our Government has taxed the American people to such an extent that if those taxes are just collected over the next 10 years, we will have collected in that 10-year period about \$3.3 trillion that we will not need to spend in that 10-year period. That is why we call it the general surplus, the sort of global surplus, the entirety of the surplus.

A number of us realized it would not be responsible to spend all of that, so we said: Wait a second, there is a part of that surplus which we will not spend, and that is the part that is the surplus related to Social Security. We said there will be no expenditures of the Social Security surplus. It sounds simple and it sounds like something that should always have been the case, but the truth of the matter is, for the first time in recent history, in memorable history, for the first time we had a budget in this body that said we are not going to spend the Social Security surplus.

Frankly, on this side of the aisle, I am very proud of the fact that we have been able to do that. It was not a budget that was voted for by the people on the other side of the aisle. They did not vote for that. That is not something they have ever done with one of their budgets or one of the things they have done with their leadership, but it is something they fought against. We have done it, and it is now an achievement of the Senate that we have a budget which is designed to protect every cent of Social Security, none of it to be spent to cover operating budget demands of this Government. That is a major achievement. That is something for which we can be grateful.

Secondly, we have a plan in place, even with the proposed tax relief for the American people, that will cut the national debt, the publicly held debt of America, in half over the next 10 years. That is pretty responsible. They are talking about lots of things, saying we are not addressing the debt properly.

Never have I seen any budget in a previous setting ever purport to move forward to cut the deficit in half in the

next 10 years. Very few families will try to pay off a mortgage in that period of time—very few. We have an opportunity now, very responsibly, to set aside Social Security, which the American people want us to do, to take the budget deficit of publicly held debt in this country, and cut it in half, paying down the publicly held debt by half in the next 10 years. And then we will have some money, some resources that are left over in this vast infusion of Government resource that has come from the people. What are we going to do with the rest of it?

The Republican plan simply says a good part of that, some significant part of it, ought to go back to the American people. They should be able to spend it on their families, to do for themselves what they do not need Government to do for them, because the best department of social services is the family, the best department of education is the family, the best department of health is the family.

Let's let our families operate. Let's fund families, not just bureaucracies. Let's fund people in their homes, not just the bureaucracy in its Government. That is what the Republican plan is.

There is a lot of debate now: If we can afford a tax cut for the next 10 years, we have to make sure we do not promise the American people we can have tax cuts on a permanent basis.

We are making this tax relief on very modest presumptions regarding the prosperity of this country. We are presuming a very modest growth, very limited. This is conservative.

It is not appropriate for us to say we will provide tax relief now and not provide it later. If we repeal the marriage penalty tax now, we should not renege on you ten years later. That does not make sense.

We simply ought to put the tax rates where we believe they reflect the integrity of the American people and the productivity of the American people and the fact that the American people are now being asked to pay more than it costs to provide the service. And we ought to reduce them, and we ought to reduce them permanently, not on a piecemeal basis, not with an automatic reinstater of a tax which is the highest in history.

Why is it we are asked to have a tax cut and those on the other side of the aisle want to make sure we cannot make it permanent relief for the people, that we have to promise somehow that the highest rates in history will be revisited after a 10-year lapse? I do not believe that is good government. I do not believe that is good judgment.

I believe when we lower taxes, when we lower the burden on the American people, we are beginning to direct the assets of the culture to America's families instead of governmental bureaucracy. It seems to me we ought to do that on a permanent basis.

I do not remember tax increases that have said they only last 10 years. It

seems to me that when taxes have been raised in this culture, they are just raised. I think we would be well served to say we are going to provide a tax structure that respects families. We are not going to say we will take the marriage penalty out of the code for 10 years and then reimposed it.

If we are going to provide tax equity for people so that the lowest-rate taxpayers in America have an even lower rate, and more people are paying at that lower rate, we should not say this is a sale which goes off and later on your taxes will automatically be raised by some Congress in the future or at some certain date in the future.

It is time for us to say that the American people have simply paid in more than it takes to provide the services. When you pay in more than it takes to provide what you are buying, you get change.

I go to the grocery store. When I pay in more than it takes to buy the gallon of milk that I want to buy for my family, the grocer does not say to me: I tell you what I'm going to do for you. I'm going to give you a stalk of celery and a bag of broccoli and two boxes of cereal so you use up all the money you paid me. He says: You paid more than is necessary for the services, and you get change. You get a refund. You get relief. You get some of your resource back.

I think that is where we are as a Senate. It is time for us to look at this country, where our cost of government is higher than it has ever been in the history of this Republic, and to say that it is time to give people relief. That relief is appropriate. And it should be permanent, not relief upon which we could not rely, but that it should be relief upon which we can rely, plan, and build for our future.

Mr. President, I reserve the remainder of our time.

Mr. MOYNIHAN addressed the Chair. The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I observe in passing, the cost of government is not greater than it ever has been. The revenues are. That is why we have a surplus.

To my good friend, the Senator from North Dakota, I yield 4 minutes to respond; and then the remaining 5 minutes I yield to the Senator from Montana.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 4 minutes.

Mr. CONRAD. I thank the Chair and the ranking member, the Senator from New York.

The Senator from Missouri misspoke. He said that those of us on this side have not supported saving every penny of the Social Security surplus for Social Security. He is simply wrong. The budget we offered on our side not only saves every penny of the Social Security surplus for Social Security; in addition, we proposed saving an additional \$300 billion over the next 10 years to strengthen and preserve Medicare.